

Exhibit 300: Capital Asset Summary

Part I: Summary Information And Justification (All Capital Assets)

Section A: Overview & Summary Information

Date Investment First Submitted: 2009-06-30
Date of Last Change to Activities: 2012-07-30
Investment Auto Submission Date: 2012-02-27
Date of Last Investment Detail Update: 2012-02-27
Date of Last Exhibit 300A Update: 2012-08-31
Date of Last Revision: 2012-08-31

Agency: 015 - Department of the Treasury **Bureau:** 45 - Internal Revenue Service

Investment Part Code: 01

Investment Category: 00 - Agency Investments

1. Name of this Investment: Integrated Financial System (IFS)

2. Unique Investment Identifier (Ull): 015-000000027

Section B: Investment Detail

- 1. Provide a brief summary of the investment, including a brief description of the related benefit to the mission delivery and management support areas, and the primary beneficiary(ies) of the investment. Include an explanation of any dependencies between this investment and other investments.**

Integrated Financial System (IFS) is the CORE financial system used by the IRS for budget, payroll, accounts payable, accounts receivable, general ledger functions and financial reporting. The IFS system provides the ability to accountants, budget, and financial management analysts to effectively manage U.S. Government finances for the Internal Revenue Service and respond to audit requests in support of a clean audit opinion. IFS received non-travel, non-labor commitment, obligation and expenditure data from WebRTS/IPS.

- 2. How does this investment close in part or in whole any identified performance gap in support of the mission delivery and management support areas? Include an assessment of the program impact if this investment isn't fully funded.**

As IRS's core financial system, IFS closes the gap for effectively managing U.S. Gov finances timely and accurately. If the IFS is not fully funded, we will be unable to (a) maintain unqualified audit opinions, (b) meet our financial and cost management objectives, (c) support legislative mandates, and (d) provide real-time, accurate financial and cost data to all organizations within the IRS.

3. Provide a list of this investment's accomplishments in the prior year (PY), including projects or useful components/project segments completed, new functionality added, or operational efficiency achieved.

-Completed update of Business Warehouse to current version of SAP COTS software.
-Completed upgrade of three instances of Oracle to comply with GAO audit finding. -Engineer solution to removing aging Windows and Citrix environments. Solution will be enabled in FY2012. -Obtained funding for COTS software update. Software update to be enabled Q1 FY2013. -Supported successful year end financial close.

4. Provide a list of planned accomplishments for current year (CY) and budget year (BY).

In the CY and BY, IFS will implement a technical update, establishing the current technology platform fully supported by SAP v6.5. IFS will also implement the SAP Budget Control System (BCS), which will provide IRS with standard accounting functionality in compliance with federal financial management requirements. This will also significantly improve business processes (i.e., funds management, year-end close, reimbursable accounting, business workflow, and e-invoicing). SAP Secure Network Communications will also be implemented, allowing for improved security. The IFS team is completing operating system updates to enhance security in compliance with the IRS Enterprise Architecture (EA) standards. IFS will support system updates for annual legislation changes and IFS will automate postings and implement modifications to existing forms and business processes as a part of on-going operations.

5. Provide the date of the Charter establishing the required Integrated Program Team (IPT) for this investment. An IPT must always include, but is not limited to: a qualified fully-dedicated IT program manager, a contract specialist, an information technology specialist, a security specialist and a business process owner before OMB will approve this program investment budget. IT Program Manager, Business Process Owner and Contract Specialist must be Government Employees.

2006-10-01

Section C: Summary of Funding (Budget Authority for Capital Assets)

1.

Table I.C.1 Summary of Funding

	PY-1 & Prior	PY 2011	CY 2012	BY 2013
Planning Costs:	\$38.8			\$0.0
DME (Excluding Planning) Costs:	\$177.0	\$9.6	\$0.6	\$1.1
DME (Including Planning) Govt. FTEs:	\$1.0	\$0.4	\$0.1	\$0.1
Sub-Total DME (Including Govt. FTE):	\$216.8	\$10.0	\$0.7	\$1.2
O & M Costs:	\$107.3	\$14.9	\$14.4	\$14.2
O & M Govt. FTEs:	\$29.2	\$1.7	\$1.5	\$1.5
Sub-Total O & M Costs (Including Govt. FTE):	\$136.5	\$16.6	\$15.9	\$15.7
Total Cost (Including Govt. FTE):	\$353.3	\$26.6	\$16.6	\$16.9
Total Govt. FTE costs:	\$30.2	\$2.1	\$1.6	\$1.6
# of FTE rep by costs:	40	14	12	12
Total change from prior year final President's Budget (\$)		\$0.0	\$0.0	
Total change from prior year final President's Budget (%)		0.00%	0.00%	

2. If the funding levels have changed from the FY 2012 President's Budget request for PY or CY, briefly explain those changes:

Section D: Acquisition/Contract Strategy (All Capital Assets)

Table I.D.1 Contracts and Acquisition Strategy

Contract Type	EVM Required	Contracting Agency ID	Procurement Instrument Identifier (PIID)	Indefinite Delivery Vehicle (IDV) Reference ID	IDV Agency ID	Solicitation ID	Ultimate Contract Value (\$M)	Type	PBSA ?	Effective Date	Actual or Expected End Date
Awarded	2050	TIRNO99D00010157	TIRNO99D00001	2050							

2. If earned value is not required or will not be a contract requirement for any of the contracts or task orders above, explain why:

Exhibit 300B: Performance Measurement Report

Section A: General Information

Date of Last Change to Activities: 2012-07-30

Section B: Project Execution Data

Table II.B.1 Projects

Project ID	Project Name	Project Description	Project Start Date	Project Completion Date	Project Lifecycle Cost (\$M)
1 5 5 7 3	IFS Technical Update and Budget Control System	Update the Integrated Financial System (IFS) software from SAP Version 4.6c (v4.6c) to SAP Version 6.5 (v6.5), and implement the SAP Budget Control System (BCS). [NOTE: Additional activities corresponding to the balance of this Project's stated lifecycle cost will be added after completion of the 1st activity.			
1556311	SAP Secure Network Communications (SNC)	Implement SNC to improve user access security.			
FYE 2012	Fiscal Year End 2012	Execute Fiscal Year (2012) End Activities.			
FYE2011	Fiscal Year End 2011	Execute Fiscal Year (2011) End Activities.			

Activity Summary

Roll-up of Information Provided in Lowest Level Child Activities

Project ID	Name	Total Cost of Project Activities (\$M)	End Point Schedule Variance (in days)	End Point Schedule Variance (%)	Cost Variance (\$M)	Cost Variance (%)	Total Planned Cost (\$M)	Count of Activities
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Activity Summary

Roll-up of Information Provided in Lowest Level Child Activities

Project ID	Name	Total Cost of Project Activities (\$M)	End Point Schedule Variance (in days)	End Point Schedule Variance (%)	Cost Variance (\$M)	Cost Variance (%)	Total Planned Cost (\$M)	Count of Activities
1 5 5 7 3	IFS Technical Update and Budget Control System							
1556311	SAP Secure Network Communications (SNC)							
FYE 2012	Fiscal Year End 2012							
FYE2011	Fiscal Year End 2011							

Key Deliverables

Project Name	Activity Name	Description	Planned Completion Date	Projected Completion Date	Actual Completion Date	Duration (in days)	Schedule Variance (in days)	Schedule Variance (%)
1556311	SNC Planning Package	Planning activities for Secure Network Communications	2011-10-31	2011-10-31	2011-10-31	60	0	0.00%
1 5 5 7 3	IFS Update Preparation	Planning cost, schedule, and resource information for the update.	2011-10-31	2011-10-31	2011-10-31	91	0	0.00%
1556311	Requirements Development & Design		2011-12-30	2011-12-30	2011-12-30	87	0	0.00%
FYE2011	Production Execution	Execute FY end activities for FY 2011	2011-12-31	2011-12-31	2011-12-31	107	0	0.00%
1556311	Web Dispatcher Migration		2012-03-31	2012-04-02	2012-04-02	138	-2	-1.45%
1556311	Develop, Test & Deploy		2012-03-31	2012-06-06	2012-06-06	116	-67	-57.76%
1 5 5 7 3	Reqmts/Design Analysis/Design		2012-04-10	2012-04-10	2012-04-10	186	0	0.00%
FYE 2012	Fiscal Year End Preparations	Plan for FY 2012 Fiscal Year End	2012-05-31	2012-05-31	2012-05-31	151	0	0.00%
1 5 5 7 3	Project Prep		2012-07-27	2012-07-27		300	-35	-11.67%

Key Deliverables

Project Name	Activity Name	Description	Planned Completion Date	Projected Completion Date	Actual Completion Date	Duration (in days)	Schedule Variance (in days)	Schedule Variance (%)
1 5 5 7 3	Development		2012-08-29	2012-08-29		268	-2	-0.75%
FYE 2012	Mock Tests	Execute Mock Tests	2012-09-30	2012-09-30		121	0	0.00%
1 5 5 7 3	Infrastructure Engineering		2012-11-15	2012-11-15		413	0	0.00%
1 5 5 7 3	Internet Payment Platform		2012-12-31	2012-12-31		334	0	0.00%

Section C: Operational Data

Table II.C.1 Performance Metrics

Metric Description	Unit of Measure	FEA Performance Measurement Category Mapping	Measurement Condition	Baseline	Target for PY	Actual for PY	Target for CY	Reporting Frequency
Obtain clean audit opinion from GAO.	Percentage	Mission and Business Results - Management of Government Resources	Over target	100.000000	100.000000	100.000000	100.000000	Semi-Annual
The number of calendar days required to run cost assessment allocation cycles for internal and external customers	Number of Days	Customer Results - Timeliness and Responsiveness	Under target	7.000000	14.000000	7.000000	7.000000	Monthly
The percentage of scheduled system availability per the approved Service Level Agreement, as documented monthly by IRS Enterprise Services.	Percentage	Technology - Reliability and Availability	Over target	99.000000	98.000000	99.300000	99.000000	Monthly
Complete monthly financial close process and submit Treasury Information Executive Repository (TIER) report within 3 days after month end.	Number of days	Technology - Efficiency	Under target	0.000000	0.000000	0.000000	3.000000	Monthly
Percentage of end user issues (aka, Priority 1 and Priority 2 tickets, equating to severity) eliminated or remediated within timeframes established in the approved Service Level Agreement.	percentage	Technology - Reliability and Availability	Over target	90.000000	90.000000	100.000000	90.000000	Monthly